FBIS DAILY REPORT

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UK REPRESENTATIVE GIVES UP ON NEGOTIATIONS

PY192340 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2305 GMT 19 May 82

[Text] New York, 19 May (NA) -- It was learned tonight that British UN Ambassador Anthony Parsons may have told the UN secretary general today that Britain considered that negotiations ended today as of 1300 (Argentina time). Sources close to the negotiations said Javier Perez de Cuellar has started a 2-hour negotiation, starting at 2000 Argentina time, to attempt a last effort to bring the two parties together.

This 2-hour period, which is now underway, is dedicated to finding a solution, since Perez de Cuellar reportedly has said that "there is enough ground for agreement which can lead to a solution."

Talks Not Yet Closed

PY200142 Buenos Aires TELAM in Spanish 0040 GMT 20 May 82

[Text] United Nations, 19 May (TELAM) -- Diplomatic sources have reported that UN Secretary General Javier Perez de Cuellar this afternoon talked on the phone with British Prime Minister Margaret Thatcher and with Argentine President Leopoldo Galtieri. The sources said the two heads of state encouraged the secretary general to continue with his efforts aimed at finding a peaceful solution.

A diplomatic spokesman also reported that the positive reaction by the two rulers was the reason for the expression of satisfaction on the secretary general's face when he joined the Security Council for consultations. Asked whether negotiations were closed, Perez de Cuellar answered, smiling: "No. I am still very active." Perez de Cuellar said more meetings will probably be held with the Argentine and British delegations tomorrow, which would indicate that the negotiations will continue.

'Few Days' for Mediation

PY200204 Buenos Aires LATIN in Spanish 0107 GMT 20 May 82

[Excerpts] United Nations, 19 May (LATIN-REUTER) -- The UN Security Council tonight gave a few more days for UN Secretary General Javier Perez de Cuellar to proceed with his efforts to mediate a peaceful solution to the Malvinas crisis, a member of the council said. After a private session of the Security Council, delegates told journalists that the secretary general has undertaking last-ditch efforts to avoid an open war between Argentina and Great Britain in the South Atlantic.

Ambassador Noel Dorr of Ireland, a Council member, said the Council did not harbor much optimism, but he expressed his encouragement and backing for the secretary general as well as his hope that some result may be obtained in the next few days.

Costa Mendez: Talks Continue

PY200409 Buenos Aires TELAM in Spanish 0230 GMT 20 May 82

[Text] Buenos Aires, 19 May (TELAM) -- Asked about the 48-hour deadline given by London to adopt a resolution, Argentine Foreign Minister Nicanor Costa Mendez asserted categorically that Argentina does not tolerate any ultimatum from anybody. The minister, who talked to reporters tonight, gave assurances that UN Secretary General Javier Perez de Cuellar is continuing both with his efforts aimed at reaching a peaceful solution and with his negotiations.

He added that from the very moment Perez de Cuellar started work and offered his cooperation, Argentina has supported him and is still supporting him. He said: Our country supports the UN secretary general's peace-seeking efforts and we are willing to continue negotiating, by his side, the peaceful and firm position we have adopted.

He remarked that "at the time, the only obstacle in the way of an honorable and just peace is the absolute intransigence and the misunderstanding of the problem revealed by Mrs Thatcher, who will be the one actually responsible for the interruption of the negotiations, should that occur." He went on to say that the Argentine position is directed toward peace and that it is firmly defending the nation's basic rights in this issue. He added that this was all he had to say in the face of all sorts of rumors which have circulated: That is, as far as we are concerned, the negotiations are continuing and we are willing to continue.

Answering a question, Costa Mendez said that for the time being there were no plans for him to go to New York, but that he might go at any moment if the need arises. Concerning the next diplomatic steps, he said these consist of negotiating a peaceful settlement which takes into account the national interests, although, he added, I could say that peace is not yet sufficiently near. He remarked: "I trust we will achieve a good result, however."

He declined to talk about the possibility that the British position may have changed after the trip made by Anthony Parsons, the British UN representative, because that is a matter falling under the negotiations which the parties have committed themselves to keep secret.

Concerning the present situation of the Kelpers on the Malvinas Islands, he referred reporters to the competent authorities, stressing: My area is outside the borders. As regards the convocation of the UN Security Council, he said he understood it was holding an informal meeting but he did not know about any new decision.

GOVERNMENT ORDERS FREEZES ON BRITISH PROPERTIES

PY192338 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2253 GMT 19 May 82

[Text] Buenos Aires, 19 May (NA) -- The executive branch has imposed "a freeze on all properties of the United Kingdom of Great Britain and Northern Ireland, the British crown, nonresident British subjects, persons of other nationalities residing in the United Kingdom and any enterprise or organization directly or indirectly controlled by them throughout the territory of the Republic of Argentina or areas under its jurisdiction."

The decision of the Argentine Government was made public tonight by Government House through Law No 22591. The body of the decree notes that "the armed and economic aggression which was determined and is being perpetrated by the Government of the United Kingdom makes it mandatory, in the exercise of the right to legitimate defense, to adopt this measure."

INVASION ATTEMPT IN FALKLANDS THOUGHT IMMINENT

PY191728 Buenos Aires HERALD in English 19 May 82 p 1, 7

[Text] A large scale British attack against the Malvinas as early as tonight is highly probable, military sources indicated to the HERALD yesterday. The British fleet, which was apparently being kept in a tight defensive formation, is said to have started spreading out on its way to combat positions around the South Atlantic islands on Monday night. The sources said the British fleet would need about 48 hours to position itself. Once this is done, the British ships, being in a position to launch an attack, would also be within the range of Argentine defences. "It's on for Wednesday night," one source said.

Argentine and foreign military analysts agreed that the attack is unlikely to concentrate on a single spot on the islands, as was the case in World War II beach landings like Okinawa or Normandy. Instead, the sources said, the British task force would probably split into five groups, one of which would come from South Georgia. The others would be a splintering of the main fleet, the sources said. The reason for what is reportedly likely to be a five-pronged attack is that Britain lacks the air coverage and naval fire power to throw all its weight on one location, the analysts said.

Small groups of British commandos are reportedly already on the islands. They are thought to be on Borbon Island, recently shelled by British ships; within 60 km of Port Darwin, on Soledad Island; and on both sides of the San Carlos Strait, near Calista Island. The number of commandos landed in preparation for an attack is probably under 300, the sources said.

The analysts thought the commander of the British fleet would try to block off the entrance of San Carlos Strait by positioning submarines south of the islands. The next step, they said, would be to cut off Soledad Island from Gran Malvina to the west and to force Argentina to provide air cover on Gran Malvina. The fleet would probably take five different positions around the islands, said the analysts: Near Borbon Island; off Cabo Corrientes, northeast of Soledad; to the east of Puerto Argentino; southeast of Triste Island; and southwest of Gran Malvina.

Puerto Argentino, heavily fortified by Argentina, and Borbon Island are the most likely targets for British landings, whether amphibious or by helicopter, said the sources. The other three locations would act as a pressure group from which the islands would be shelled, they said. Furthermore, they indicated, the three positions off Soledad could be used to shell Puerto Argentino (from east of it and from northeast of Cabo Corrientes) and Port Darwin (from east of Puerto Argentino and from southeast of Triste Island).

This, the sources said, would provide air cover and harassment action on Puerto Argentino. But, they added, the fifth location, southwest of Gran Malvina, would be "expendable" for the British Fleet, being vulnerable to Argentine planes out of Rio Grande, in Tierra del Fuego.

The British liner Canberra, bringing additional troops to the Malvinas area, is thought to be close to its destination now. But a reinforcement of 20 Harrier jump jets would have to be flown down from Ascension Island in order to strengthen the British air power for an attack, the sources said. But, they added, this would require in-flight refueling tanker aircraft, which would probably mean Britain would have to seek help from the U.S. in order to allow the Harriers to cover the distance to the Malvinas. The sources estimated six U.S. KC-130 Hercules and four KC-135 Galaxy tankers would be needed, should Washington decide to lend its direct military support to the British.

Costly Operation

PY200331 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0207 GMT 20 May 82

[Excerpts] Buenos Aires, 19 May (NA) -- A navy source has disclosed that the threatening concentration of British forces near the islands was enduring a heavy storm tonight with waves 5 meters high and winds of up to 40 knots. Such weather would prevent an attack, at least in the next few hours, because they make the takeoff of planes and helicopters from the ships very dangerous.

Military sources have said that the British could not possibly intend to decide the situation on the islands with a single strike, however powerful or bloody it might be. They believed, on the contrary, that the fighting would be time-consuming and warned that if would have a high cost in lives and material. They said that although the British might succeed in establishing a beachhead -- which is not very probable -- their forces would be isolated and have very serious supply problems in meeting the Argentine counterattacks.

19 May Airstrike

PY192158 Buenos Aires Domestic Service in Spanish 2146 GMT 19 May 82

[Joint Staff Communique No 64]

[Text] The Joint Staff reports that two Sea Harrier planes bombed a zone 7 miles from Puerto Argentino at 0950 today, 19 May. They were repulsed by antiaircraft artillery. This is the only event that has occurred in the Malvinas area.

Army Casualties

PY192357 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2312 GMT 19 May 82

[Text] Buenos Aires, 19 May (NA) -- The Army High Command reported tonight that 16 soldiers died and 5 others were declared missing as a consequence of military operations in the Malvinas area. The official communique reads:

"The Army High Command regrets to inform the people that the following casualties occurred from 2 April to 19 May 1982 as a result of the operation of the recovery of our Malvinas Islands:

"Dead: Infantry Col Clodoveo Miguel Angel Arevalo, Infantry 1st Lt Roberto Remi Sosa, Infantry Lt Marcos Antonio Fassio, Aviation Mechanic Sgt Pedro Andres Campos, Aviation Mechanic Cpl 1st Class Nestor Daniel Barros, enlisted men Sergio Oscar Gomez, Vicente Ramon Perez, Marcelo Gustavo Sini, Jesus Artemio Marcial, Luis Fernando Sieyra, Oscar Calisto Milliapi, Daniel Alberto Palavecino, Omar Jesus Herrera, Eduardo Sosa, Simon Oscar Antieco and Sergio Fabian Nosikoski.

"Missing: Artillery Capt Marcelo Sergio Novoa, Infantry 1st Lt Roberto Mario Fiorito, Army Pilot 1st Lt Juan Carlos Buschiazzo, Optics Mechanical Assistant Sgt Victor Jesus Benzo and Aviation Mechanic Sgt Raul Horacio Linotta."

REPORTS BRITISH SOLDIERS CAPTURED 'NOT TRUE'

PY200139 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0120 GMT 20 May 82

[Text] Buenos Aires, 19 May (NA) -- Public Information Secretary, Rodolfo Baltierrez tonight denied the alleged detention of British military officers in the southern region of the country. Asked about the matter, Baltierrez said the reports yesterday on the alleged detention "are baseless." In the face of reporters' persistent questions on the matter, he reiterated that the reports "are by no means true."

A local morning paper had reported that three British officers and four noncommissioned officers had been detained. According to the paper, the alleged detainees had tried to undertake "infiltration tasks or exploration of possible targets" on Argentina's mainland.

GOVERNMENT EXPECTS INCRFASED GRAIN SALES TO USSR

PY192133 Buenos Aires TELAM in English 1928 GMT 19 May 82

[From transmission "for the British colony resident in the Malvinas"]

[Text] Moscow, 19 May (TELAM) -- Sales of Argentine grain to the Soviet Union will not decrease this year in comparison with those of last year, and it is quite possible they will increase, a spokesman for the Argentine Embassy here reported today. He added that a rumor of a cutoff of Soviet purchases due to the conflict in the South Atlantic was totally false. Observers pointed out that such a move would be completely out of keeping with the Soviet Government's outspoken support for Argentina's position in the Malvinas dispute.

The USSR's grain harvest this year is estimated to run to 200 million tons, considerably above last year but nevertheless some 40 million tons short of Soviet requirements. That shortfall will have to be made up by imports, principally from Argentina and the United States.

PERUVIAN DELEGATION ARRIVES, OFFERS SUPPORT

PY191815 Buenos Aires Domestic Service in Spanish 1600 GMT 19 May 82

[Excerpt] A High-level Peruvian delegation made up of businessmen and representatives of Peruvian organizations arrived today to offer support for the Argentine business sector and to voice solidarity with it in this difficult situation the country is experiencing.

The arrival of this delegation was preceded by Ivan Rivera Flores, Peruvian deputy minister of industry, who arrived yesterday.

The delegation is made up of the chairman of the Peruvian-Argentine mixed committee, the directors of the industry and [words indistinct] society, the chairman of Federation of Peruvian Chambers of Commerce and by several businessmen from the trade and production sectors. This is the first step taken by these businessmen to increase trade between Peru and Argentina and to seek complementary actions in the industrial field.

Chambers of Commerce Support

PY192209 Buenos Aires TELAM in English 1933 GMT 19 May 82

[From transmission "for the British colony resident on the Malvinas"]

[Text] Buenos Aires, 18 May (TELAM) -- Firm support for the Argentine position in the Malvinas conflict with Great Britain was stated clearly yesterday in a document issued by the chambers of commerce of eight Latin American nations, whose representatives met in joint session here.

The statement said the chambers were resolved to do everything possible to relieve any problems that might be caused for Argentina by the economic sanctions the European Economic Community nations imposed in support of Great Britain. It saw the sanctions as closing off traditional markets, not only for Argentina but also for the rest of the continent, and called for renewed efforts towards Latin American economic integration to counter the effects of such moves.

POLITICAL ACTIVITY REPORTED PICKING UP AGAIN

PY191920 Buenos Aires HERALD in English 18 May 82 p 11

[Text] The political parties' statute will be drafted before the end of the month, Interior Minister Alfredo Saint Jean said yesterday on arriving from Santiago del Estero. Saint Jean, who said he will meet with the Political Commission of the Armed Forces (COMIPOL) to analyze the statute's draft next Thursday, announced he will also "keep in touch with (political) leaders." Saint Jean had gone to Santiago del Estero to swear in the new governor of the province, Carlos Jensen Viano, who took over from General Cesar Ochoa.

On being asked about the armed conflict between Argentina and Chile [as received], the Interior Minister said the Malvinas was the most important issue at the moment but not the only one, since the country "keeps on living, marching, functioning." In reference to a possible solution to the conflict he called on Argentines to be confident "everthing will turn out all right."

Before leaving Santiago del Estero for Buenos Aires, Saint Jean denied rumours that his ministry was considering the possibility of establishing a transition governent once the Malvinas conflict is over. As regards Argentina's political future, Saint Jean said: "We have already started analyzing some leaders' opinions, which will be taken into account in the future, to see how we face the (new) Argentina after April 2." In reference to the ban on political activities, the minister said "it is flexible enough to allow the political parties to operate" within its frame.

Before talking to reporters in Santiago del Estero, Saint Jean had met with representatives from different political parties. The Radical Party representatives did not attend the one-hour meeting.

On swearing in Jensen Viano, Saint Jean said: "It was necessary to set the security conditions to definitely establish an elected and completely consititutional democracy, which will not give rise to military coups because it is weak or backs down."

"We need a government that sets the course forever, and which will be followed by another constitutional government and then by another one," he said. In his speech, Saint Jean said that the replacement of military governors by civilians was proof of the "clear republican vocation of the process." "We are marching towards the complete democratization of the country," he added.

Defence Minister Amadeo Frugoli said on a Radio Mitre programme yesterday that "it is interesting to start thinking about the political future of the nation," although the Malvinas conflict calls for most attention for the time being.

Public Information Secretary Rodolfo Baltierrez, on his part, declined to make comments on a possible replacement of military authorities by a transition civilian government headed by Radical Party member Arturo Illia, after the South Atlantic conflict is solved. "First of all, I cannot voice my opinions because I am the presidential spokesman. Secondly, because internal issues within political parties are not my problem," he said.

A faction of the Radical Party (UCR), who want to replace present leader of the party Carlos Contin by former President Arturo Illia, yesterday called for meeting of the party's national plenary committee. The call, which had given rise to some disagreement within the party, is supported by the leader of the "Renovacion y Cambio" faction, Raul Alfonsin, who also favours the creation of a transition government headed by Illia. The national plenary committee was formally called for at the UCR headquarters by Luis Caeiro, former secretary general during Illia's presidency. Caeiro based the move on the UCR's need to take stances "in the face of the emergency created by the British colonialist aggression."

Radicals Split

PY191926 Buenos Aires HERALD in English 19 May 82 p 11

[Text] Radical Party leaders registered sharply different reactions yesterday to a call by regional delegates for an urgent meeting of the Radical national plenary committee to elect former President Arturo Illia as party president.

The reactions revealed an incipient split among Radical factions over the leadership of the current party head, Carlos Contin, and over Illia's possible candidacy as head of a national "transition government."

Contin yesterday attempted to play down his possible ouster, saying the meeting of the national committee "will serve to make us more certain of the course to take in these difficult moments," and to "reiterate the claim that we have already made: A return to institutionalism for the republic." He also made an implicit call for party unity in the name of former Radical Foreign Minister Miguel Angel Zavala Ortiz, who is seriously ill and "in the last moments of his life."

But Raul Alfonsin, of the internal Movement for Renovation and Change faction which strongly supports Illia's return, said that a change in party leadership "will help to define with precision the transition to democracy."

Alfonsin is also believed to be the main force behind a movement to propose Illia as the head of a so-called "cabinet of national salvation" which would direct a transition to civilian rule as soon as the Malvinas crisis is resolved. "At this time it is necessary to reaffirm the founding principles of radicalism, and its tradition as a rallying force, embodied today in the activity of the Multiparty Organization," Alfonsin said.

Former Fuels Under Secretary Conrado Storani sided with Alfonsin, saying that "the country has to enter a order [as published] until the electoral process is reestablished, and a timetable must be set immediately."

"We feel there is a need for a cabinet of national salvation, a government of national reconciliation, headed by a civilian," Storani said. "That civilian could be Illia," he added.

Luis Leon, a former senator and leader of the Yrigoyenist faction of the party, took a more moderate stance, saying "the problem is not to change men" in reference to the move to replace Contin. Leon was originally thought to be a main backer of the call for the meeting of the national committee, but seemed to backtrack as the split in the party came into public view yesterday.

Antonio Troccoli, Juan Carlos Pugliese and party Secretary Enrique Vanoli, all associated with the National Current faction of the Radicals, seemed to be backing Contin yesterday. Troccoli expressed his opinion that "this is not the best time to be taking this kind of attitude," and said he opposes the proposed meeting of the national committee.

"We have other things to worry about, in a country with more important problems than having to involve itself in Radical infighting,"" was Pugliese's only comment on the situation.

Vanoli said that "you would have to go over Contin's dead body" to replace him, and added that "I don't understand Alfonsin's motives for nominating Illia."

Illia, who is 82 years old, has not taken a public stand on the issue of his possible leadership, either of the Radical Party or of a "transition government." He is expected to arrive in Buenos Aires today, but it is unclear whether he will make a public statement on the controversy.

CGT TO SEND ITS OWN DELEGATION TO ILO MEETING

PY182152 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2136 GMT 18 May 82

[Text] Buenos Aires, 18 May (NA) -- The General Labor Confederation (CGT) this afternoon rejected the plenum called by the Labor Ministry to appoint the Argentine union delegation to the forthcoming International Labor Organization (ILO) meeting and decided to send a delegation of its own.

FAVORABLE JANUARY-APRIL TRADE BALANCE RECORDED

PY191356 Buenos Aires TELAM in Spanish 2255 GMT 18 May 82

[Text] Buenos Aires, 18 May (TELAM) -- The Economy Ministry officially disclosed tonight that Argentine trade during the first 4-month period of 1982 had a favorable balance of $1,129,000,000, according to the preliminary figures on hand.

The above-mentioned balance is the result of $2,988,000,000 in exports, which is slightly higher than the first 4-month period of 1981, and only $1,859,000,000 in imports, which is virtually half the figure for the same period of 1981.

Central Bank Interventions

PY190301 Buenos Aires TELAM in Spanish 0225 GMT 19 May 82

[Text] Buenos Aires, 18 May (TELAM) -- It has been officially reported that the Central Bank has ordered the liquidation of the Tranfina home loans and savings society and the La Liberal credit bank. The Central Bank has also decided to intervene for 90 days as a precautionary measure in the Corrientes credit bank in this capital.

ARCE GOMEZ SUES U.S. AMBASSADOR FOR SLANDER

PY192335 Buenos Aires LATIN in Spanish 2038 GMT 19 May 82

[Text] La Paz, 19 May (LATIN-REUTER) -- Former Interior Minister Luis Arce Gomez has filed a lawsuit against U.S. Ambassador Edwin Corr, who had accused him of engaging in drug trafficking, demanding that the U.S. diplomat supply proof of his charge. In a brief submitted to the court, Arce Gomez said Corr's diplomatic immunity does not excuse him from submitting proof of his accusation.

According to Arce Gomez' witness, Jaime Ponce Caballero, Corr supposedly accused Arce Gomez publicly of drug trafficking. The former minister said the diplomat should either prove this or retract his accusation publicly.

According to the U.S. television program "60 Minutes," the text of which was published by a local paper yesterday, Arce Gomez and other Bolivian officers have also been accused by the U.S. Drug Enforcement Agency of participating in cocaine trafficking.

BOMB EXPLODES AT U.S. CONSULATE IN SANTA CRUZ

PY191300 Paris AFP in Spanish 1246 GMT 19 May 82

[Text] La Paz, 19 May (AFP) -- A powerful bomb exploded last night at the U.S. Consulate in Santa Cruz, in the western region of Bolivia. The explosion caused serious damage to the diplomatic mission as well as to neighboring houses. The attack was perpetrated hours after the visit of U.S. Ambassador Edwin Corr to the consulate. Ambassador Corr met with U.S. Consulate officials to discuss the aid program for the victims of the floods here in the last couple of months.

Bolivian diplomatic sources reported that an immediate investigation has been ordered, with the support of explosive experts.

JAILED CHILEAN SPY ESCAPES, GETS OUT OF COUNTRY

PY191820 Paris AFP in Spanish 1429 GMT 16 May 82

[Text] La Paz, 16 May (AFP) -- The Bolivian military court reported here today that Chilean spy Luis Alberto Munoz, who was undergoing a military trial, has escaped from his cell. The spy was arrested 4 months ago in Oruro, a region bordering Chile, and was later transferred to La Paz, where his trial was taking place. Taking advantage of confusion where he was detained, Munoz escaped and sought asylum at the Apostolic Nunciature and was taken to Chile.

UNIVERSITY SITUATION AGGRAVATED BY HUNGER STRIKE

PY200253 La Paz Cadena Panamericana in Spanish 0000 GMT 20 May 82

[Summary] The La Paz Newsmens Association has released a communique saying that several days have gone by since the problems began at the Greater University of San Andres UMSA, caused by the government order closing the university. The situation has been aggravated by the hunger strike initiated by teachers, students and parents. The communique concludes by saying that the La Paz newsmen cannot remain indifferent to this problem. The UMSA interschool committee has released another communique denying reports that negotiations with the government have begun.

The Confederation of Bolivian Professionals has sent a letter to the situation minister expressing deep concern at the crisis at UMSA. Gen Jorge Zamora, commander of the Bolivian police, has denied that there have been clashes with students who demand restoration of university autonomy and the dissolving of the Bolivian National University Council. General Zamora said politicians have infiltrated the students and are trying to deepen the difficulties the country is currently experiencing.

NAVY HOLDING EXERCISES ALONG COAST, IN RIVERS

PY191430 Buenos Aires TELAM in Spanish 0034 GMT 19 May 82

[Text] Rio de Janeiro, 18 May (TELAM) -- Two "task forces" of the Brazilian Navy are holding exercises along the seacoast and in the rivers along the border with Paraguay. This is the third time the Brazilian Navy has moved out since the conflict over the Malvinas Islands began. The first time the navy moved out was last month, when a task force headed by the flag aircraft carrier Minas Gerais carried out operations along the southern Brazilian coast.

Part of the Brazilian fleet is currently operating in the north country near Recife, and the other part is operating along the rivers in the state of Mato Grosso do Sul in cooperation with the Paraguayan Navy. This joint operation is called "Ninfa" and is commanded by Adm Jose Francisco de Prado Gondim. Various ships are participating in the maneuvers.

The Ninfa exercises consist of simulated landings, movement of helicopters and actions by frogmen.

The Malvinas conflict has caused Lt Gen Delio Delfim de Mattos, air force commander, to call a meeting of the high command of Brazilian aeronautics. The meeting was held in Brasilia today, but no reports were released on the analysis that was made of the fighting in the Malvinas.

SECURITY COUNCIL FALKLANDS INTERVENTION URGED

PY192246 Buenos Aires TELAM in Spanish 2208 GMT 19 May 82

[Text] Brasilia, 19 May (TELAM) -- The Brazilian Government today asked the president of the UN Security Council for prompt and effective measures in view of the imminent "bloody outcome" of the crisis between Argentina and the United Kingdom. Foreign Minister Ramiro Saraiva Guerreiro's message, addressed to Council President Ling Qing of the PRC, was released at Itamaraty Palace this afternoon, and says:

"Deeply concerned at the prospect of an imminent bloody outcome of the crisis between the United Kingdom of Great Britain and the Republic of Argentina over the Malvinas Islands, on behalf of the Brazilian Government I confirm the firm conviction that it is indispensable to reach a peaceful and honorable solution, without vanquished or victors, with the participation, and even an operational participation, of the United Nations in accordance with the purposes and principles of its charter and the pertinent resolutions of its main bodies.

"The Brazilian Government reiterates its determined support for the negotiations currently being conducted by the UN secretary general and makes a fervent appeal for abstention from any warlike action that may thwart the high objectives of the secretary general's negotiations and the proposals he may make. At this critical time only moderation will unambiguously show a true desire for a peaceful solution.

"Being a UN member invariably devoted to the purposes and principles of the charter, Brazil believes it is necessary for the Security Council to take prompt and effective measures to preserve international peace and security."

Spokesman on Conflict

PY200035 Brasilia Domestic Service in Portuguese 2200 GMT 19 May 82

[Excerpt] Bernardo Pericas, spokesman for Itamaraty, today reported in Brasilia that the Brazilian Government has not been consulted over its possible participation in the administration of the Malvinas Islands during a transition period in case this suggestion is accepted by both Argentina and Britain.

Asked whether Brazil would offer the Argentine Government specific aid in case of aggravation of the conflict, he explained that there is general solidarity in Latin America with Argentina, which was clearly expressed during the meeting held by the consultative organ of the Inter-American Reciprocal Assistance Treaty. Pericas added: The Brazilian Government is by no means indifferent to the Malvinas crisis, and it has done all in its power to facilitate a peaceful solution.

WORKERS JAILED IN IRAQ FACING DEATH PENALTY

PY192044 Buenos Aires TELAM in Spanish 1820 GMT 19 May 82

[Text] Brasilia, 19 May (TELAM) -- The Brazilian Government reasserted today that three employees of the Brazilian construction firm Mendes Junior have been detained in Baghdad, Iraq, since mid-March on charges of bribery and diversion of fuel, a crime which under Iraqi law can be punished by death. Minister Bernardo Pericas, Itamaraty spokesman, reported that the Brazilian Embassy in Baghdad was instructed to provide assistance to the detainees in accordance with the Vienna convention provisions. Pericas denied that there were political implications which may affect relations between Brazil and Iraq in the case.

The management of Mendes Junior, located in Belo Horizonte, indicated that its three employees detained by order of the Iraqi Government are Aristides Sergio Cavalcanti Azevedo, Raimunda de Souza Lima and Jaime Hermenegildo Camacho. The firm is building a railroad in Iraq and, according to its press office, the death penalty for its three employees is provided for in the new Iraqi legislation because of the state of war with Iran.

REAGAN STAND ON BRAZIL ECONOMIC RELATIONS NOTED

PY192255 Rio de Janeiro BRAZIL HERALD in English 19 May 82 p 2

[Summary of 14 May editorial in O ESTADO DE SAO PAULO: "Prelude to Negotiations with the United States"]

[Excerpts] No one could expect that economic problems now pending between Brazil and the United States would be solved during brief talks between the two presidents in Washington. The Brazilian Government wanted, however to draw Reagan's attention to difficulties affecting commercial relations between the two countries. It was intended also to obtain what might be called an habeas corpus verdict on behalf of Brazil in the matter of graduation of loan granting by international finance organizations which contemplate denying certain credit privileges to Brazil on pretext of this being already a highly developed country.

This question of credit privileges for less developed nations is important for Brazil, whether Reagan has noticed it or not. The U.S. Government understands that international loan privilege should be reserved for countries which are really poor while countries in a better situation should have recourse to private banks for their credit needs. Brazil tried to persuade Reagan that this is a country still in development which will have serious difficulties if loan development credits are denied to it. Brazil is willing, however, to pay somewhat higher rates of interest for such loans than those paid by very poor nations. Reagan seems to have pointed out that the "graduation" policy is only a general principle. Each concrete case will be studied separately.

The entire question is linked also to the U.S. trade protectionism which hurts Brazil. Right now, this protectionism reduced Brazilian sugar exports to the United States by one-third. Reagan pointed out in his conversations with Figueiredo that this is a decision by the U.S. Congress, not by the administration, and that Congress not always acts in conformity with his government's trade liberalism. But Reagan said that the new quota system will probably only be temporary.

LEMOS ON ARGENTINA SUPPORT, U.S. BASE REPORT

PA191727 Bogota Domestic Service in Spanish 2330 GMT 17 May 82

[Fabio Castro report from the Foreign Relations Ministry -- recorded]

[Excerpts] Foreign Minister Carlos Lemos Simmonds today sent two memoranda to Colombian diplomatic personnel pointing out the need to maintain total impartiality during the elections. In addition, Minister Lemos Simmonds told journalists at San Carlos Palace that a meeting of Andean Group foreign ministers is expected. During the meeting the ministers will make decisions benefiting Argentina in its conflict with Great Britain over the Malvinas Islands. Dr Lemos said:

[Begin recording] We are going to consider what steps can be taken within the framework of continental solidarity, steps which will not distort the position our country has already taken on the Malvinas issue. However, I want to reiterate that Colombia wants to help Argentina as much as possible in solving its present severe economic situation, but without, I repeat, any change in the position Colombia adopted within the framework of the Inter-American Reciprocal Assistance Treaty. [end recording]

Moreover, Minister Lemos again denied, for what he said was the umpteenth time, reports about alleged contacts between the governments of Colombia and the United States for establishment of military airbases on San Andres and Providencia Islands. Asked about the reports published Thursday in the French newspapers LE MONDE and LE FIGARO that a base would be established on San Andres, the foreign minister stated categorically that both the Colombian Foreign Ministry and the U.S. Embassy in Bobota have repeatedly denied the reports that a base would be built there.

CREW, PASSENGERS THWART ATTEMPTED HIJACK

PA191538 Madrid EFE in Spanish 1511 GMT 19 May 82

[Text] Villavicencio, 19 May (EFE) -- The copilot and more than 50 passengers of an aircraft in flight managed to subdue a hijacker who attempted at knifepoint to force the pilot to fly to Cuba.

The would-be hijacker, identified as Jose Orlando Rebellon Castano, boarded a flight of Taxi Aereo del Guaviare at Llanos Orientales airport, and when the aircraft was over the township of San Jose he entered the pilot's cabin. "I want you to fly to Cuba, where I intend to stay. There are several bombs in the aircraft, which will explode whenever I deem it necessary," the would-be hijacker told the pilot. Without a word, copilot Jairo Aranguren struggled with the individual and was wounded. But with the help of the passengers, he was able to disarm and subdue the hijacker. The hijacker was later turned over to the Villavicencio airport authorities. After a search it was found that there were no bombs aboard.

ARMY KILLS 5 GUERRILLAS IN ACTION IN SOUTHWEST

PA191436 Buenos Aires LATIN in Spanish 2339 GMT 18 May 82

[Text] Bogota, 18 May (LATIN-REUTER) -- The Defense Ministry said today five guerrillas died in clashes with army troops during the past 24 hours. The action took place in southwestern Colombia. A military patrol killed three insurgents, two men and one woman, near El Meson, 440 km southwest of Bogota. The guerrillas were members of the so-called People's Liberation Army.

In a clash in Montanitas, 600 km southwest of Bogota, the army killed two members of the leftist 19 April Movement. The Defense Ministry said tht during the actions the army recovered weapons and ammunition from the guerrillas.

HERRERA QUESTIONED ON SOLIDARITY WITH ARGENTINA

PA191321 Caracas Domestic Service in Spanish 2307 GMT 17 May 82

[News conference by President Luis Herrera Campins -- live]

[Excerpts] [Question] Has the Venezuelan Government considered giving assistance to Argentina in the Malvinas conflict?

[Answer] The Malvinas conflict has a unique aspect. In 1815 Spain sent a fleet with 15,000 men led by Pablo Morillo to crush the Venezuelan rebellion. On that occasion, and despite the power of the Spanish Empire, those 15,000 men were defeated by the courage, will and determination of our men, led by Simon Bolivar. I am certain that this new aggression [words indistinct] by Great Britain for a colonial redoubt in our continent is going to suffer the same fate. But it is not only a military issue or a matter of who is stronger; the problem is more complex. It has political, dipolomatic and economic connotations. Of course it also has a legal aspect. The mission of solidarity and peace has gone to Europe to present Latin America's reasons for siding with Argentina. However, we have failed to make the right political and economic contacts in Europe, where Great Britain has handled the media with great ability on behalf of its cause.

The EEC was somewhat hasty in approving the sanctions against Argentina. If it should decide to continue the sanctions, it will not be as arbitrary as it was the first time. We have learned that Ireland and other countries are assuming a more moderate position.

I think the mission of solidarity and peace that Venezuela sent to Europe at the request of the Argentine Government and on behalf of the Argentine people will have a positive effect on European and British opinion. Let us not forget that in those countries, and particularly in England, public opinion plays an important psychological role. In the meantime Venezuela and the other Latin American countries are ready to prove their solidarity with Argentina in a more active way [words indistinct]. I think our efforts at that level are of great importance, as are those efforts being undertaken at the United Nations under Secretary General Perez de Cuellar.

[Question] Vessels from Trinidad and Tobago recently have attacked Venezuelan fishermen in our territorial waters. Would you say that these acts of violence against our fishermen and the Guyana prime minister's bragging prove how dangerous it is to have no defense strategy in the Orinoco delta and in other coastal zones of our country?

[Answer] There were some incidents, indeed, which were given much publicity. We have always tried to solve our problems with Caribbean countries through dialogue and agreements. I talked to the fishermen who have been harassed by the authorities (?and learned that this was) sometimes justified, other times not.

This I can say: There might be some former British colonies which are sentimentally and spiritually linked to Great Britain, that would like to stir up some tension in support of Prime Minister Thatcher's action, which they justify with the attitude that if Great Britain had not acted the way it did Venezuela might have felt free to invade Guyana and Guatemala to invade Belize.

However, I would like for you newsmen to keep your reports as objective as possible. We do not want to be taken in by those who wish to obstruct the implementation of the Port of Spain protocol. We know of the Guyanese Government's lack of restraint, which instead of taking care of its serious economic problems is selling war bonds against a Venezuelan invasion, and they are deceiving the people.

[Question] Mr President, what is your opinion of the Thatcher-Reagan pressure on Argentina in seeking a tighter blockade of Argentina by the European Economic Community?

[Answer] We have been very clear on this. We are on the side of Argentina in an extraordinary spirit of Latin American solidarity. I have also told the U.S. Government of the big mistake it is making [words indistinct] by moving from the position of mediator to the side of one of the parties in the dispute. In my letter to President Reagan, I told him that Latin America was surprised, hurt and frustrated as a result of the attitude assumed by the United States, and that I hoped the next move taken by the U.S. Government would not contribute to increasing those feelings in Latin America, because the United States will be the one to lose the most in this conflict between Great Britain and Argentina.

GOVERNMENT TO INVEST $1 BILLION IN ARGENTINA

PY191534 Buenos Aires TELAM in Spanish 1520 GMT 19 May 82

[Text] Buenos Aires, 19 May (TELAM) -- The Republic of Venezuela has committed itself to investing $1 billion in Argentina and will ship 10,000 barrels of petroleum a day under special sale conditions. This was announced today by the Argentine ambassador to Venezuela, Jorge Daguer, who arrived with a Venezuelan delegation bringing contributions for the patriotic fund and other donations.

EXPERT CHARGES TRINIDAD SIPHONING OFF LOCAL OIL

PA191801 Caracas Radio Continente Network in Spanish 2100 GMT 17 May 82

[Text] Oil expert Leonardo Montiel Ortega reported today that Trinidad has been stealing oil from Venezuela for a long time. He came out in favor of having Venezuela stop being a holy fountain for the Caribbean nations.

Montiel Ortega also accused Trinidad of having become a base for British imperialism.

He said that since 1974 Shell and Texaco, to whom Trinidad granted exploitation concessions in 1970, have been siphoning off Venezuelan oil [words indistinct] both countries. He warned that this siphoning is very damaging because it causes underground channels, which drain all the oil along the border between Trinidad and Venezuela. Finally, he said Trinidad has ignored Venezuela's protests and has increased its oil extraction.

'READY' TO RESUME TALKS WITH U.S. ON TUNA FISHING

FL200001 Mexico City NOTIMEX in Spanish 2235 GMT 19 May 82

[Excerpt] Mexico, 19 May (NOTIMEX) -- Fernado Rafful Miguel, chief of Mexico's Department of Fisheries, today said Mexico "is ready" to resume dialogue with the U.S. Government to find a solution to the tuna embargo. He defined the current tuna embargo by the U.S. authorities as "inadequate" and stated that the problem should be resolved "by countries which share common obstacles and boders."

He added, however, that in order to reach any possible agreement it must be clear that Mexico will refuse to "reverse its position on closed issues" such as Mexico's return to the Inter-American Tropical Tuna Commission.

GOVERNMENT CLOSES TWO CONSULATES IN GUATEMALA

PA192257 Madrid EFE in Spanish 2216 GMT 18 May 82

[Excerpts] Mexico City, 18 May (EFE) -- The recent closure of two Mexican consulates in Guatemala is interpreted as a protest measure by the Mexican Government against the Guatemalan regime's silence on the disappearance of Consul Jesus Silva Mendo, who was kidnapped in Guatemala on 8 September 1981. The Foreign Relations Secretariat said yesterday that President Jose Lopez Portillo's government had ordered the consulates in Malacatan and Tecunuman closed "pursuant to administrative adjustments and economic restrictions on the federal administration."

The secretariat also noted that the government would open an office in the city of Tapachula, in Chiapas State, which borders on Guatemala, to handle the functions of the two consulates.

BUDGET CUTS WILL NOT AFFECT NUCLEAR PLANT

FL200018 Mexico City NOTIMEX in Spanish 2350 GMT 19 May 82

[Excerpt] Mexico City, 19 May (NOTIMEX) -- The official spokesman for the Federal Electricity Commission, Eduardo Betancourt, reported today that budget cuts for some government projects will not affect work at the Laguna Verde nuclear plant. Betancourt said the first unit at Laguna Verde will begin operation in mid-1983. The plant is now 73-percent complete and 6,000 workers are working daily on it.

Betancourt's statement refutes reports to the effect that Laguna Verde would be left unfinished because of budget cuts. It also refutes an international news agency report to this effect.

TRANSPORTATION FARES TO INCREASE 30 PERCENT 1 JUNE

PA191436 Buenos Aires LATIN in Spanish 0000 GMT 19 May 82

[Text] Mexico City, 18 May (LATIN-REUTER) -- The Mexican Government has authorized a 30-percent increase in air, land and rail fares effective 1 June. The Secretariat of Communications and Transportation announced the increase last night. Freight rates will go up by a similar amount.

The announcement was no surprise because the recent 40-percent devaluation of the peso has unleased a series of price increases. Sources in financial circles predict that the annual inflation rate will exceed 50 percent this year, almost double the rate in 1981.

COSTA RICA

NICARAGUA'S ROBELO SCORES FSLN 'MISGOVERNMENT'

PA190421 Paris AFP in Spanish 1636 GMT 18 May 82

[Text] San Jose, 18 May (AFP) -- Alfonso Robelo, a Nicaraguan opposition leader, said here today that the FSLN leadership is trying "to subject and frighten all sectors of the population" in Nicaragua. Robelo, who is now living in Costa Rica -- "forced by circumstances" -- told the local newspaper LA NACION that this FSLN effort "is not going to be tolerated by the Nicaraguan people" and that "a solution that is difficult to predict is going to take place."

In reporting the "misgovernment" by the Sandinists, Robelo did not discard the idea of a possible alliance with former Commander Eden Pastora, who broke with the FSLN last month and threatened to "oust" the present Nicaraguan Government "with bullets." It was recalled here that Robelo has been mentioned, along with Pastora, as a possible member of a "government in exile" to be created by the Nicaraguan opposition, which would include Nicaraguan economic and religious personalities, as well as former military men from the deposed Anastasio Somoza regime.

This story, which Robelo labeled as "another FSLN absurdity," had also been denied by Pastora.

The former government junta member said that "the days of the Nicaraguan private sector are numbered," because the Sandinists "are not going to permit it to have any real power." He strongly criticized "the subjection of the Sandinist leadership to Cuba and the Soviet Union," affirming that Nicaragua "is a country that has been intervened in" and that this "subjection" will not be reversed.

Robelo said that in his country there is "a pluralism that is only a front," for "what really exists is a party that has proclaimed itself the vanguard of the revolution and that is trying to subject all other forces to its dictatorial will." He said that he can count on "ample support" from "the middle class workers and the professionals." Robelo affirmed that if elections were held, they would be won by "all of the democratic forces together, under the leadership of either Eden Pastora, Arturo Cruz, Violeta de Chamorro" or Robelo himself.

SUSPECT NICARAGUAN COUNTERREVOLUTIONARY ARRESTED

PA200417 San Jose Radio Reloj in Spanish 1730 GMT 19 May 82

[Text] An alleged Nicaraguan counterrevolutionary has been arrested. A brief report issued by the authorities of Liberia, capital of Guanacaste Province, stated that Nicaraguan (Oscar Oliver Picardi) was arrested last night. It is suspected that he is involved in counterrevolutionary activities. The reported added that a Garand rifle and a (?large) amount of ammunition were taken from him. The Nicaraguan was found in a place called Quebrada Grande, 35 km north of Liberia. He is currently being held at the local command, while his activities (?are investigated).

EL SALVADOR

MAJOR D'AUBUISSON ADDRESSES U.S. BUSINESSMEN

PA200155 San Salvador EL MUNDO in Spanish 15 May 82 p 11

[Excerpts] Maj Roberto d'Aubuisson, Constituent Assembly president, said at a luncheon meeting of the U.S. Chamber of Commerce of El Salvador yesterday that the nation's banking system could return to a free enterprise system.

In other words, the business of banking could be carried out by the private sector, without violating the armed forces proclamation of 15 October 1979.

D'Aubuisson was the guest speaker at the U.S. Chamber of Commerce luncheon meeting held at the Camino Real Hotel in San Salvador. He spoke about "the government of consensus and the country's economic situation." At the end of his lecture, he answered some of the 70 questions submitted to him in writing by members of the U.S. Chamber of Commerce.

Hugo Cesar Barrera, first vice president of the Constituent Assembly and member of the Nationalist Republican Alliance, ARENA, accompanied D'Aubuisson to this meeting. U.S. Ambassador Deane R. Hinton was also present.

Expanding on his reply to the question about a return of the banking system to the private sector and about whether foreign banks would be allowed to receive deposits, Major d'Aubuisson said that the purpose of the proclamation, in terms of loans institutions, was to prevent the benefit and profit of only a few people, such as majority shareholders. He noted, however, that nationalization was never mentioned. Based on this concept, D'Aubuisson said that operations could be conducted within a free enterprise system, on the condition that banking and credit institutions had a large number of shareholders.

"In general," D'Aubuisson said, "we have definitely agreed in Decree No 3 to maintain the economic and social reforms; in fact, we are going to improve them, so that they truly benefit those for whom they were intended. Let us hope the ambassador, who is here at the moment, can interpret my words correctly and does not report afterward that we are opposed to reforms."

In terms of negotiations with the Revolutionary Democratic Front, FDR, D'Aubuisson said "there is definitely nothing to negotiate. The people are not represented in the FDR. We are working on a broad amnesty, which will include security for those who accept it. This does not mean that those who have criminal cases pending are not going to be punished. There will be a deadline by which the amnesty must be accepted; those who refuse will be persecuted and we will thereafter throw them out of the country. We are trying to give them an opportunity, so they do not say that we are warmongers. If they do not accept this, we are going to act in accordance with the poster; "The People and the Armed Forces United," Major d'Aubuisson said.

In response to another question about an alleged alliance between the Christian Democratic Party, PDC, and the Nationalist Revolutionary Alliance, ARENA, D'Aubuisson said that this is not true. "We are showing good understanding of each other, in an effort to maintain national unity. We have done the same, occasionally with the National Conciliation Party, PCN, the armed forces, and minority parties," D'Aubuisson said. He added that some members of ARENA "have misunderstand this policy. We can no longer act with the emotion displayed during the electoral campaign."

In a portion of his speech, D'Aubuisson said, among other things: "Since none of the parties of the Constituent Assembly obtained a majority, it was necessary to establish an ideologically pluralist government, the first of its kind in our country's history." This kind of government, he added, forces the parties or representatives to sacrifice the purity of their ideological guidelines in order to attain solutions that will benefit the majority.

In regard to the current economic situation, D'Aubuisson said that it was the result of violent change in the basic economic structures, which has caused either the destruction of or a decline in the traditional sources of production. He said that this has created distrust among productive sectors, which has led to unemployment, coupled with a decline in capital for enterprises and a sharp plunge in the nation's gross production.

"Under present circumstances," D'Aubuisson said, "we have only two ways out; either to increase the public debt or to start a national economic recovery campaign that would generate confidence and wealth in the various production sectors. With the first alternative, respect for our national dignity is lost in the long run. We lose the right to determine our future by ourselves, instead, adopting the comfortable position of those who are accustomed to begging rather than working for a living." He then added: "The second choice does not offer miracles, but it is a path of hard and constant work that can generate confidence in ourselves and in our future as Salvadorans."

Replying to other questions, D'Aubuisson said that he favors a supreme court of justice composed of men with political and technical backgrounds, adding, as proof of this, that ARENA has proposed men that meet these requirements. D'Aubuisson also said that when the time comes to draft the constitution, he will fight to eliminate the right of rebellion, because this has generated coups d'etat. "However," he added, "I do support the concept of replacement, so that the people will be able to replace a politician and who does not defend their rights after promising to do so prior to being elected."

GUATEMALA

JUNTA MEMBERS VIEW ELECTIONS, RESHUFFLE REPORTS

Rios Montt Comments

PA191921 Guatemala City EL GRAFICO in Spanish 18 May 82 p 8

[Text] Guatemala City, 17 May -- This morning at the National Palace, Gen Efrain Rios Montt, president of the military government junta, said that elections will be scheduled at the end of this year to establish a constituent assembly. He said the military government junta will establish the propitious conditions for a constituent assembly to be elected, with all the guarantees for honesty which an event of this nature demands. The Guatemalan chief of state gave no further details on these elections, but said that they will be scheduled at the end of this year.

On another subject, the Guatemalan chief of state said that the association of Christian families of the United States is making a donation of construction materials to Guatemala. He said that this will have an overall value of $1 billion, which is at par with the quetzal. He added that these materials will be destined to families suffering from violence, which is affecting an area of the country.

At the time that General Rios Montt made these statements, there was no knowledge of any news agency report to the effect that the military junta would be restructured. According to wire dispatches datelined in Guatemala City, the junta will be reorganized, leaving General Rios Montt in command of the government. [as published] According to the same dispatches, General Maldonado Schaad, will remain as government minister and Colonel Gordillo will become communications minister.

Maldonado Schaad Remarks

PA191934 Guatemala City Trecevision in Spanish 0130 GMT 19 May 82

[Text] Rumors about a reorganization of the government junta have circulated during the past few days. It was initially reported on Friday that [Gen Efrain] Rios Montt would be the only member remaining and that the two other members would remain only as cabinet ministers.

According to the rumor, the restructuring was a fait accompli, but at the last minute General Rios Montt, himself, tried to ease tempers and asked that the two other members not be deprived of their posts.

Gen Horacio Maldonado Schaad (?commented on) the rumors, which have been reported inside and outside Guatemala. [Begin recording] [Words indistinct] there is complete harmony among the three members of the junta. I say there is harmony because none of the three has personal ambitions. Our only concern is to be of service to Guatemala and the Guatemalan people, so they will really benefit. [Words indistinct] that is the reason why we work in harmony. [end recording]

Last night, Teleprensa [name of newscast] featured an interview with General Rios Montt. During the interview, the president of the government junta announced that a call will be issued the end of the year to form a constituent assembly. Maldonado Schaad made the following comments about this report:

[Begin recording] Well, this would be the right thing to do, (?in a fast way, isn't it?). [Words indistinct] the constituent assembly so we may have a constitution and after that there would be an electoral reform [words indistinct] the Guatemalan people [words indistinct] in order for them to freely elect their new president [words indistinct]. [end recording]

Maldonado Schaad, junta member and government minister, then outlined the achievements made under the administrative reorganization. [Begin recording] Approximately 40 percent [of the government] has been reorganized. [Passage indistinct] a judicial investigation has been conducted prior to making dismissals. We do not go about dismissing people just like that, an analysis is made, and then the replacement is analyzed [passage indistinct] [end recording]

Rios Montt News Conference

PA191947 Guatemala City Trecevision in Spanish 1030 GMT 18 May 82

[Text] Today, in the midst of persistent rumors of a restructuring of the government junta, Gen Efrain Rios Montt, military junta president, spoke to foreign newsmen. The junta president made a summary of the new government's achievements. He also mentioned the case of Raul Garcia Granados, who is being sued by a French bank. This is part of Rios Montt's last news conference today:

[Begin recording] The businessmen are not going to risk their money. They must get references first. It is of no use for us to give them any guarantees. For instance, I have a very serious problem with French banks. A friend of a top government official -- not the official himself -- has a mortagage of over $100 million in France. What guarantee can I give the French banks? None. I think this is a matter of the financial institutions and investors making the necessary investigations. They should not risk their money. They are aware of this, and have the means to make these investigations.

[Question] In your message over the national network last night, you said that the national treasury has run out of funds.

[Answer] Yes.

[Question] Many people are wondering if your government is going to recover the money that was stolen by former government officials.

[Answer] No. [Words indistinct] they took these funds away, and we cannot recover them. Ciphered accounts are involved, and some accounts have been opened in the name of third persons, which we definitely cannot impound. What we will do is regain the confidence of Guatemalan capitalists. We have much capital in Guatemala, but it is invested in Miami, New Orleans, and Europe. Right? Now we will tell these people: Listen, Guatemala needs you, not only to take our foreign exchange abroad, but also to bring foreign exchange to Guatemala.

[Question] Could you give us a general opinion about the government's work after 60 days in power?

[Answer] An opinion?

[Question] Yes, please.

[Answer] First of all, we have reduced the budget by 20 percent for the first 3 months. We have dismantled many bands of kidnappers. We have not filled all the vacant positions, because we have found out there is too much bureaucracy. The government has been too paternalistic, depriving Guatemalans of their own personality, completely destroying it, [words indistinct]. The most important point, however, is that we are becoming aware that we are living in Guatemala. Some projects have been drawn up as if we were living in Iraq, Iran, Kuwait, or in one of those countries where petrodollars are flowing freely. Here (?it is another story). [end recording]

Law Enforcement To Increase

PA191955 Guatemala City Radio Nuevo Mundo Network in Spanish 1200 GMT 18 May 82

[Text] In the next few weeks the number of agents in the security corps will be increased. National police sources have informed reporters of El Independiente [this newscast] that the government ministry headed by Gen Horacio Maldonado Schaad is working on a project to double the number of personnel now working in the Department of Technical Investigations of the police, as well as the treasury police, and in the ranks of the national police and its other departments.

It was reported that the main interest of the national police authorities is to establish complete control over law enforcement throughout the country, taking into consideration that the crime index has dropped considerably throughout the country in the last few weeks, basic reason for the government's security forces to have more personnel to fulfill their jobs. [as heard]

HAVANA SAYS RIOS MONTT REVERSES ELECTIONS STAND

PA200116 Havana International Service in Spanish 0000 GMT 20 May 82

[Text] The leader of the Guatemalan military regime, Efrain Rios Montt, denied today, Wednesday, that elections for a constituent assembly will be called in December. In an earlier contradiction to this statement, the head of the Guatemalan tyranny told foreign correspondents last Tuesday that elections for a constituent assembly would be held in December and that the new constitution would be approved 2 years thereafter.

In the meantime, a total of 26 bodies, among them women and children, and an undisclosed number of wounded persons was the result of repression unleashed today by armed men against peasnats in Zaquilla, Quiche Department.

TRIALS BEGIN FOR FORMER ADMINISTRATION OFFICIALS

PA200327 Guatemala City Trecevision in Spanish 0130 GMT 18 May 82

The Investigations Department of the Attorney General's Office will hear evidence today from eight leaders of the Guatemalan Christian Democrats [DCG] to confirm the charges against three former officieals of Gen Lucas Garcia's deposed government. The former officials are Gen (German Cutina Barahona), former national police director, who apparently lives in Boca Del Monte; Pedro Garcia Arredondo, former chief of the detectives corps; and former government minister Donaldo Alvarez Ruiz, who is in the United States.

The DCG leaders cited by the Attorney General's Office are Marco Vinicio Cerezo, Danilo Barillas, (Alfonso Cabrera), Enrique Guillen, Rodolfo Maldonado, (Ricardo Galvez), (Catalino Soveranis) and (Guillermo Villar Aceituno).

The former officials, accused of corruption within the administration of deposed President Fernando Romeo Lucas Garcia, could be released for lack of evidence, as the deadline established by law for the submission of such evidence is approaching and as the organizations entrusted with providing the necessary evidence, including the comptroller's office, have failed to do so thus far, according to information released today by (Fernando Rodas Cortes) the assistant comptroller general.

The assistant comptroller general also reported that nearly all institutions, particularly those that are decentralized, are involved in administrative corruption.

LOCAL REBEL GROUPS BREAK TIES WITH PASTORA

PA192254 Havana International Service in Spanish 1600 GMT 19 May 82

[Text] The National Revolutionary Unity of Guatemala, URNG, group has issued a communique in which it expresses indignation at statements made by counterrevolutionary Eden Pastora in Costa Rica, which reflect the campaign of lies, attacks and provocations against the Sandinist revolution orchestrated by the United States.

The URNG asserts that Eden Pastora is a caricature of a revolutionary internationalist, for though he offered to join the struggle of the Guatemalan people, he never did so, despite the many proposals submitted to him over a period of 10 months that he make good on his offers.

The URNG members add that they decided to break all ties with the puppet Pastora in March because of his contacts with individuals and forces connected with the counterrevolution in the area and with well-known provocateurs and opportunists. The URNG states that internationalist duties call for action and sacrifices rather than words and notes that the merits Pastora claims for himself are no more than responsibilities to his people.

HONDURAS

DELEGATION TO TALKS WITH NICARAGUA EXPANDED

PA200355 Panama City ACAN in Spanish 1527 GMT 19 May 82

[Text] Tegucigalpa, 19 May (ACAN-EFE) -- The Honduran Government has expanded the delegation that will hold military talks with Nicaragua tomorrow in the La Fraternidad customs post in Honduran territory. The following people were added today to the previously appointed high-ranking military chiefs who comprise the delegation: Col Walter Lopez Reyes, commander of the Honduran Air Force; Roberto Perdomo Paredes, Honduran ambassador to Nicaragua; and Policarpo Callejas, Foreign Ministry adviser.

The Honduran delegation also includes Col Jose Aabdenego Bueso Rosa, chief of the Army General Staff; Col Rigoberto Regalado Hernandez, Army inspector general; Col Ruben Humberto Montoya, commander of the Navy; Col Daniel Bali Castillo, commander of the public security force (police); Col Wilfredo Sanchez, commander of the 5th Infantry Battalion; and Col Danilo Ferrera Suazo, commander of the 11th Infantry Battallion.

Honduran Foreign Secretary Edgardo Paz Barnica has explained that the meeting will be held in the context of the initiative to internationalize peace in Central America, which was proposed to the OAS on 23 March. The meeting is also a result of the talks held in Tegucigalpa some weeks ago by Nicaraguan Foreign Minister Miguel d'Escoto and Honduran Foreign Secretary Paz Barnica.

NICARAGUA

CUADRA LACAYO HEADS DELEGATION TO TALKS

PA191406 Managua Domestic Service in Spanish 1200 GMT 19 May 82

[Text] The Nicaraguan military delegation that will participate in the preliminary meeting to be held at the Honduran customs post will have the same rank as the delegation being sent by the Honduran Government. The Nicaraguan military delegation will be headed by Brigade Commander Joaquin Cuadra Lacayo, chief of the Sandinist Peoples Army General Staff. Brigade Commander Cuadra Lacayo met with Foreign Minister Father Miguel d'Escoto for 2 hours yesterday afternoon.

Brigade Commander Joaquin Cuadra Lacayo said that no agenda will be taken to the 20 May preliminary meeting and that they are only going to listen to what the Honduran officers have to say. He added that the purpose of meeting will be to prepare the agenda for the meeting between Humberto Ortega Saavedra, commander in chief of the Nicaraguan Armed Forces and Gen Gustavo Alvarez Martinez, commander in chief of the Honduran Armed Forces. This meeting was included in the Guazaule Agreement.

Delegation Announced

PA200139 Managua Domestic Service in Spanish 0000 GMT 20 May 82

[Text] This afternoon the Nicaraguan Foreign Ministry announced the names of the members of the delegation that will represent the Sandinist Peoples Army [EPS] at the high-level meeting between the Nicaraguan and Honduran armies. The meeting will be held tomorrow at the borderpost of La Fraternidad, in Honduran territory.

The delegation will be led by Brigade Commander Joaquin Cuadra Lacayo, EPS chief of staff. It will include Brigade Commander Lenin Cerna, chief of the General Directorate of State Security; Brigade Commander Julio Ramos; and Commander Raul Venerio, chief of the Sandinist Air Force, FAS. Other EPS officers who will be delegation members are Commanders Javier Pichardo and Richard Lugo. The delegation also includes Companero Julio Lopez, in charge of the FSLN International Relations Department; Guillermo Suarez Rivas, Nicaraguan ambassador to Honduras; and Augusto Zamora, legal adviser at the Foreign Ministry.

The meeting will be the first step in the implementation of the agreements reached in the meeting in Guasaule last year, which was attended by then Honduran President Gen Policarpo Paz Garcia and Nicaraguan Government Junta Coordinator Daniel Ortega. Those agreements seek to end the tensions on the two countries' border. It is believed that the meeting in La Fraternidad will prepare for additional meeting of the Honduran and Nicaraguan defense ministers.

Commentary on Meeting

PA191513 Managua Domestic Service in Spanish 1200 GMT 19 May 82

[Text] Deputy Foreign Minister Victor Hugo Tinoco, in an interview granted to a Voz de la Defensa de la Patria [newscast] reporter, said yesterday that he believes that the meeting between the leaders of the Nicaraguan and Honduran armies must be held. In any case, if the meeting, which was suggested by Honduras to be held over the next few days, takes place, we believe that this step, although not the correct one or the one that was expected, should at least be of some help. He added that Nicaragua would attend this meeting with the hopes that the meeting with Honduran high-ranking officers will be a preliminary meeting for one between the heads of the two countries' armies. That is why we have already named the Nicaraguan delegation to the 20 May meeting.

The following are statements by Deputy Foreign Minister Tinoco on Nicaragua's position on the meeting requested by Honduras to be held at La Fraternidad customs post. [Begin recording] We reached the point, during Foreign Minister d'Escoto's recent meeting in Tegucigalpa with the new Foreign Minister Paz Barnica, where we once again insisted — approximately 1 year after the Guazule meeting — on the need to hold a meeting at the level of military leaders for the specific purpose of solving all the problems. During that entire time, from 13 May 1981 to the present, while we have been insisting on this meeting, the Somozist men, of Somozist guards -- have been very active. They have been killing our border guardsmen, our militia and civilians. They have not been able to cross the border — because this is the order given by our peoples revolution -- but they have harassed our positions and they have damaged bilateral relations between Honduras and Nicaragua.

Following our request made in Tegucigalpa, there was a more recent one made during the summit meeting following President Monge's inauguration in Costa Rica. Foreign Minister Paz Barnica was present during that meeting when we insisted on the importance of a meeting between the two army chiefs. This was only a few days ago. Following this, the Honduran authorities made their decision and sent a message saying that they agreed to a meeting, and they sent a list of names of those who would represent Honduras. These names have already been published. However, the chief of the Honduran Armed Forces was not included. Therefore, the efforts made to hold a high ranking military officers meeting at the level of army leaders has not materialized and Honduras is offering an alternative that can only be understood as a preliminary meeting to the one to be held between the army leaders, which is the highest office in the military field. They are the only ones who can decide on matters, such as patrolling and so forth, and who could find a real solution to the border problem. [end recording]

AID ACTION COMMITTEE DISCUSSES PROJECTS

PA200203 Managua Domestic Service in Spanish 1200 GMT 19 May 82

[Text] Yesterday, during the third meeting of the Action Committee for the Reconstruction of Nicaragua (CARN) at the Intercontinental Hotel, Costa Rica offered to send experts in different fields to Nicaragua to offer technical assistance. Similarly, Mexico, Argentina and Ecuador said that they will continue to offer cooperation to this country, noting that they will study the material presented by the Sandinist government on different projects and will specify the kind of aid they will give. Edmundo Jarquin, representative of the International Reconstruction Fund (FIR), said the Planning Minstry presented 15 emergency projects for feasibility studies, in addition to presentations by the Nicaraguan Institute of Fisheries (INPESCA) and the Ministry of Settlements and Housing.

It was also reported that the delegates from the 11 countries participating in the meeting accepted the resignation of CARN Secretary (Francisco Cordero), since he will be travelling to Costa Rica. Bolivian (Lius Ramiro Velarde) was appointed interim secretary. Velarde is currently an adviser to the Ministry of Settlements and Housing. The new CARN permament secretary will be appointed on 16 August during an extraordinary meeting to be held in Nicaragua.

MOZAMBIQUE PRESIDENT CONTINUES OFFICIAL VISIT

Meets With Tomas Borge

PA191945 Managua Domestic Service in Spanish 0000 GMT 18 May 82

[Text] Mozambique and Nicaragua will be friends regardless of the consequences and they will be anti-imperialist until imperialism is eradicated from the world. Commander Tomas Borge Martinez made this statement today.

The interior minister, Commander Tomas Borge, spoke this morning at the Walter Mendoza police academy. During his speech, delivered in the presence of President Samora Machel of the Mozambique Liberation Front, Frelimo, Commander Borge said that the Mozambique revolutionaries are not alone.

Commander Borge, who is member of the FSLN National Directorate, noted the meaning of internationalism by pointing out that while our fighters struggle and spill blood for their fatherland, they also do it for Mozambique.

During the ceremony, Commander Borge gave the Mozambican leader a Sandinist police uniform as a symbol of the ties of friendship and solidarity between the two nations. Commander Olga Aviles, Commander Walter Ferreti and various Interior Ministry representatives were present at the event. Here is a recording of Tomas Borge's statements:

[Begin recording] We will be anti-imperialists until imperialism is eradicated from the world. [applause] The revolutionary society you are building is the same society that we are building here in Nicaragua. [applause]

We want to tell you that our statements are always made with love and that the Sandinists, just like the people of Mozambique, have removed the words fear and frighten from our dictionaries -- we are not afraid of imperialism; we don't fear imperialism. We are not frightened and we don't fear the enemies of humanity. We love and respect all the people of the world, but we don't fear, and we will never fear, the enemies of our people.

We want to tell you that when we shout our war slogans, we are in complete agreement with them as you are. And now, when our companeros respond to what we are going to say, we want you to know, Companero Machel, that this is a true expression of the way we feel and [words indistinct] your heroic people. [end recording]

Meeting With Ortega

PA191959 Managua Domestic Service in Spanish 0219 GMT 19 May 82

[Speech by Daniel Ortega, coordinator of the Nicaraguan junta, on the occasion of the 87th anniversary of Cesar Augusto Sandino's birth and in honor of visiting Mozambican President Samora Machel; in Ciudad Sandino -- live]

[Excerpt] What are Mozambique and Nicaragua? They are peoples who have liberated themselves from colonialism, from imperialism and who are today struggling for the consolidation and advance of their revolutions.

What are Mozambique and Nicaragua? They are countries which are attacked, threatened and encircled by a single enemy.

What are Mozambique and Nicaragua? They are humble and poor but dignified, sovereign and courageous peoples.

What are Mozambique and Nicaragua? They are peoples who are nonaligned but united in a common cause with the peoples of Africa, Asia and Latin America; peoples in solidarity and united in the struggle with the 24 million blacks who are bestially oppressed by 4 million whites in South Africa; peoples in solidarity and united with the struggle of the Salvadoran people who are murdered, attacked and intervened; peoples in solidarity and united in the struggle of the Argentine people who are today facing British colonialism coupled with U.S. imperialism.

Mozambique and Nicaragua are united because when the white Afrikaners murder blacks, they are murdering the continent and furthermore, they are murdering the peoples in the world. When the British, with U.S. support, bombard the Malvinas, they are bombarding the continent and thereby they are bombarding the peoples of the world. [applause]

When it comes to murdering and stealing from the peoples and men, the exploiters, colonialists and imperialists do not discriminate. They do not differentiate between blacks, Indians, mestizos, mulattos, white or Asians. They take over their lands; they take over their work source. They also try to take over the souls of the people, but the peoples have never permitted their souls to be stolen. [applause]

Samora Machel Remarks

PA200036 Managua Domestic Service in Spanish 0000 GMT 19 May 82

[Speech delivered by Samora Moises Machel, president of the People's Republic of Mozambique, at the Carlos Aquero school in Managua; in Portuguese with subsequent paraphrasing in Spanish -- recorded]

[Text] [Broadcast in progress] I am referring to the capitalist world and to how the peoples hate man's exploitation by man, which they fight against. The peoples, regardless of color and race, hate tyranny and aggression. The world knows that no one is willing to die voluntarily, but one must die if necessary. The Nicaraguans taught the world a lesson. You rid yourselves of tyranny, thanks to the people's will, which is immortal. The will of the people is invincible, especially when they are politically oriented and have clear and well-defined objectives. They need only know what they want and how they want it. To be rid of fascism was not your only goal; your aim was and is to eliminate poverty in Nicaragua. Because Nicaragua is an independent country today, we can all live like brothers. That which was bad is past. Now you have the present and the future to build, to achieve progress and happiness. [applause]

NEW CENTRAL BANK HEAD DISCUSSES PLANNING EFFORTS

PA191529 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 18 May 82

[Text] Luis Enrique Figueroa, the new president of the Central Bank, has said that the Central Bank must become an important instrument of the planning process: [Begin recording] The best ideas are those that come from the revolution. We cannot believe that these are personal ideas but ideas born from the revolution's policies favoring the people. I think that the bank will have to play a very important role in the implementation of plans. It must become a key instrument and an important tool of the planning process.

We believe that we cannot have planning going one way, banking going the other way, finances this way and production that way, all acting independently. There must be a dialectic integration that will include financing and planning. [end recording]

FORMER BANK DIRECTOR CRITICIZES ECONOMIC POLICY

PA192003 Panama City LA PRENSA in Spanish 17 May 82 p 1A

[By Jose Quintero de Leon]

[Text] Alfredo Cesar Aguirre, the former director of the Nicaraguan Central Bank, resigned from his post, saying that he does not agree with the economic and financial policy which the Nicaraguan Junta of the Government of National Reconstruction has recently been developing. According to Cesar Aguirre, that policy will impede the revolution's progress.

Addressing the delegates to the conference on trade and development held in Panama City, the former Central Bank director said that in the last 8 weeks, and for some inexplicable reason, Nicaraguan junta member Sergio Ramirez Mercado has decreed taxes that destroy the incentive to produce.

He also said that Ramirez Mercado made a number of decisions regarding credit policy which increase the money supply to an amount that is beyond what the economy can handle. In Cesar Aguirre's opinion, these decisions could cause runaway inflation. To top it all, a financial council was created. This council can nullify the Central Bank's decisionmaking capability in the areas of monetary and credit policy. According to Cesar Aguirre, the Financial Council is making decisions on the basis of political considerations, thus causing chaos in the administration of the country.

Upon informing Commander Daniel Ortega Saavedra, junta coordinator, of his decision to resign, Cesar Aguirre asked in his letter how Nicaragua could gain its independence and sovereignty, with food, health and education, if the economy becomes increasingly dependent on other countries which give Nicaragua money to subsist, money which is received under conditions set by those countries; respective political interests.

Persons opposed to a mixed economic policy, such as Henry Ruiz and Luis E. Figueroa, began a campaign to demonstrate the infeasibility of such a policy. This situation was aggravated when Sergio Ramirez, pressured by Ruiz and Figueroa to radicalize the process artifically joined the campaign.

The former Sandinsit official also said that he could not continue in his post since his hopes of liberating the Nicaraguan people from all foreign domination and giving them the opportunity to satisfy their basic needs were dashed by the recent actions which blocked these possibilities. Cesar Aguirre's remarks coincided with those of Ismale Reyes, director of the Nicaraguan Higher Council of Private Enterprise, who told LA PRENSA that private initiative in Nicaragua is currently suffering a serious crisis that keeps many enterprises on the edge of failure.

This insecurity, added Reyes, is due to the Sandinist government's lack of clarity on the concept of a mixed economy. The government has no legal framework which guarantees private property under the state of emergency. Potential investors have no confidence and security. Instead of reactivating the economy, the government has plunged the country into an acute economic cirsis.

SOVIET PROJECT TO REVAMP PORT WILL IMPROVE TRADE

PA191526 Managua Domestic Service in Spanish 1800 GMT 18 May 82

[Text] The bilateral agreement between Nicaragua and the Soviet Union, under which the USSR will use the services of the port in this town [not further identified] on Nicaragua's Pacific side, will make it possible to expand port facilities and will result in an income to the revolutionary administration of $300,000 a year.

After returning from his recent tour of the Soviet Union, Commander Daniel Ortega, coordinator of the Junta of the Government of National Reconstruction, said the agreement will help adapt the port to current needs. That is, it will guarantee full communication with the Asian countries.

Port San Juan del Sur, which has no docks and little activity at this moment, will get a big boost soon. The Soviets will soon begin revamping the port's installations, which will then be devoted to the dynamic work of serving as liaison between Nicaragua and the distant Asian continent. Once this work is completed, the Sandinist revolution will have achieved another important breakthrough on the path to full independence in trade.

GUATEMALAN JUNTA CHARGED WITH REPRESSION

FL192110 Havana Domestic Service in Spanish 1700 GMT 19 May 82

[Text] The military junta which took power in Guatemala by means of a bloodless coup d'etat and an electoral farce wants to project an international image of a calm and democratic country.

However, we have statements which clearly indicate the true situation of the Guatemalan people.

[Begin recording] After the Panzos massacre on 29 May 1978, the repression became general and widespread. [end recording]

You are listening to (Manuela Ads) an Indian representative to the Guatemalan Committee for Peasant Unity and member of the 31 de Enero organization which recently peacefully took over the Brazilian Embassy in Guatemala City.

[Begin (Ads) recording] They are stealing our land in Panzos which is located in the northern part of the country. This area has oil and nickel. The military are trying to steal our land there and by not allowing them to do so we are subject to repression.

That is how the repression started in Guatemala. Then came the massacre of the Spanish Embassy which clearly showed what Lucas Garcia's policy was going to be. Lucas Garcia began implementing his razed land policy through which he not only massacred our people -- men, women, and children -- but also burned down our crops and our huts.

What the military junta is trying to do is to show a democratic image, but it is merely a government of the rich in Guatemala. This means that the military junta has changed nothing.

Since the military junta took over more than 3,500 comrades -- men, women and children -- have been massacred. This is an average of 63 persons massacred every day during the 2 months that the junta has been in power, time during which massacres have been stepped up. [end recording]

HAIG'S REJECTION OF BREZHNEV PROPOSAL REPORTED

FL190000 Havana Domestic Television Service in Spanish 0000 GMT 19 May 82

[Text] The top Soviet leader, Leonid Brezhnev, today proposed a USSR-U.S. freeze on strategic arms from the very beginning of bilateral negotiations on arms control and reduction.

In his speech to the19th Komsomol [All-Union Leninist Communist Youth League] congress, Brezhnev made a detailed analysis of the main, current international dilemma: peaceful development or nuclear holocaust.

The proposal of the top Soviet leader was immediately rejected by U.S. Secretary of State Alexander Haig who claimed that it was not effective as far as arms control went. Haig brought up the worn-out pretext of USSR threats to Western allies in Europe.

Once again it has been made clear that the true enemy of peace is the United States and that its leaders pay no heed to constant USSR calls for total and absolute disarmament.

COMMENTARY TERMS REAGAN PROPOSAL 'DEMAGOGIC'

FL150200 Havana Domestic Television Service in Spanish 0000 GMT 15 May 82

[Carlos Mora Herman commentary]

[Text] U.S. President Ronald Reagan has announced he is ready to meet next June with Soviet leader Leonid Brezhnev to discuss the reduction of nuclear arms. Such a statement, made by the man who today represents the most ultranconservative and warlike positions, constitutes an event which must be examined in the light of various aspects.

To make this statement, President Reagan selected the Eureka College located in the town of the same name, somewhere in the center of the state of Illinois, the college Reagan attended and from which he graduated in 1932. In his speech before some 500 students, Reagan proposed the reduction by one third of the long-range nuclear arms possessed by Moscow and Washington.

Anticipating the critical reaction of conservative circles, which have accused the President of abandoning the theory of linking -- tying negotiations with USSR to Soviet behavior around the world -- Reagan mentioned some prior conditions to his meeting with Brezhnev. These conditions include the withdrawal of the Soviets from Afghanistan and of the Cubans from Angola, the lifting of martial law in Poland and an end to alleged Soviet meddling in Central America and Southeast Asia.

The official Soviet news agency TASS said Reagan's proposal was a demagogic maneuver to check the growing peace movement in the United States and Europe.

The U.S. President's speech was impregnated with a negative spirit, full of aggressiveness and lacking in the least constructive spirit. With just a few words Reagan is attempting to lessen the impact of the wave of antiwar demonstrations that are taking place in the United States and in NATO member countries in the European continent.

As a part of the critical reactions to Reagan's speech and his proposals to initiate negotiations with the Soviets, Senator Edward Kennedy stated that what the President had proposed was insufficient and does not include the B-1 bombers and the MX supermissile project. Former Secretary of State Edward Muskie said he prefers the ratification of the SALT II Treaty, which has been halted in the U.S. Congress as a result of events in Afghanistan. Both Kennedy and Muskie agree that what should be done now is to freeze the production of nuclear arms in the two countries.

In the margin of Reagan's speech in his little college, his administration's aggressive policy continues. Washington has made a serious commitment to British imperialism and its ally, Margaret Thatcher, in the case of the Malvinas Islands crisis. The U.S. Congress has just approved a 60 million dollar credit in military aid to the genocidal regime of El Salvador and is reenforcing its support for the Guatemalan dictatorship.

Reagan's administration supports South Africa's plans of aggression against Angola and encourages the criminal Israeli attacks against the Arab pecples and Palestinian combatants. Because of this, Reagan's statements in Eureka sound like a demagogic display and a political resort in view of his government's growing difficulties, both at home and abroad.

INTER-AMERICAN AFFAIRS

ANDEAN GROUP MEETS IN BOGOTA ON FALKLANDS

PY190227 Buenos Aires LATIN in Spanish 0021 GMT 19 May 82

[Text] La Paz, 18 May (LATIN-REUTER) -- A high Andean Pact official said today that the foreign ministers of the organization will meet in Bogota on Wednesday, 26 May, to analyze the Anglo-Argentine conflict over the Malvinas. Washington Herrera, junta coordinator of the Cartagena Agreement, said that the Bolivian, Colombian, Ecuadorean, Peruvian and Venezuelan foreign ministers have promised to attend the summit meeting during which the political aspects of the conflict in the South Atlantic will be studied. He added that the Argentine-Andean joint commission may have a meeting in Lima on Monday to examine the means of increasing bilateral trade. Herrera said that the Andean Group was willing to increase the volume of its imports from Argentina in order to offset the economic sanctions imposed on Buenos Aires by the EEC.

ANTIGUA AND BARBUDA

DEPUTY PREMIER BIRD ON TREATY WITH UNITED STATES

FL191840 Bridgetown CANA in English 1758 GMT 19 May 82

[Text] St Johns, Antigua, 19 May, (CANA) -- The first round of negotiations between Antigua and Barbuda and the United States on a proposed bilateral investment treaty was "extremely beneficial to both countries," according to Antigua and Barbuda's deputy prime minister, Lester Bird. He said the talks, which began late last week and will resume in Washington next month, were conducted in a spirit of compromise and a desire to be helpful.

Antigua and Barbuda is the first Caribbean state with which the United States has started such negotiations. Those outside the region are Panama and Egypt. Mr Bird said that in the negotiations, Antigua and Barbuda had sought to protect the interests of the country's private sector and the government had set aside more than 25 areas of the economy for special treatment for nationals.

"We were also mindful to address the need for a transfer of skills and managerial know-how to our own nationals so that they can assume top positions," the minister noted. "Similarly, we argued for the preservation of our special relationship with our sister countries in the Caribbean Community and Common Market (CARICOM)."

He said that the government had reserved the right to approve all investments for Antigua and Barbuda and the government had denied the right of any South African to work in this country without its approval. "In taking these positions, we are continuing our principled position of absolute opposition to apartheid in South Africa," Mr Bird said. "We are maintaining our role as a peace-loving state in the international community. We are preserving our CARICOM relationship and we are protecting our own private sector and our workers."

CHILE

AGENCY REPORTS CAPTURE OF MIR TERRORIST LEADER

PY190752 Santiago Chile Domestic Service in Spanish 0000 19 May 82

[Excerpt] The National Intelligence Center -- CNI -- today reported through an official communique that a high-ranking leader of the outlawed MIR -- Movement of the Revolutionary Left -- involved in many attacks and murders, has been captured.

According to the communique, the terrorist is Victor Manuel Zuniga Arellano, who performed as MIR's military chief in Santiago and held MIR's fourth highest position.

GUYANA

ENVOY CHARGES BENEZUELA WITH AIRSPACE VIOLATION

PA182000 Paris AFP in Spanish 1532 GMT 18 May 82

[Text] Caracas, 18 May (AFP) -- In statements to the newspaper EL NACIONAL of this capital, Rudolph Collins, Guyanese ambassador to Venezuela, reiterated here today that Guyanese airspace has been violated by Venezuelan aircraft. Rudolph noted that "we have said that they were Venezuelan aircraft and not Venezuelan Air Force airplanes," which made repeated incursions into Guyanese territory, he said. According to the diplomat, "Guyana has never said that Venezuela will invade it. We have only talked of penetration into our territory in the context of the incidents that occurred, warning of the consequences that might result." He noted that "in present circumstances, the Guyanese Government fears the possibility that Venezuela may take military action against its country" and explained that "this is why we have reacted so strongly in denouncing the penetration of our border by Venezuelan military troops."

The latest Guyanese charge was made last week, but the Venezuelan Government denied it. The Venezuelan Government reiterated its intention to take the dispute with Guyana over the Essequibo region before international organizations, dismissing any possibility of using force. Oswaldo Paez Pumar, Venezuelan deputy foreign minister, confirmed that the Venezuelan ambassador in Guyana, Sadio Garavini, has been recalled to Caracas by the national government for consultation this coming Friday.

JACKSON REPEATS SUPPORT FOR ARGENTINA'S CLAIM

FL171114 Bridgetown CANA in English 2314 GMT 15 May 82

[Text] Georgetown, Guyana, 15 May (CANA) -- Guyana has reiterated its support for Argentina's claim to the Falkland Islands, but its opposition to the use of force to occupy the British administered islands. Speaking to newsmen yesterday, Foreign Minister Rashleigh Jackson said that Guyana remains totally opposed to the use of force to settle territorial disputes.

"Our support for Argentina's claim in the (United Nations) has always been based on a call for a peaceful solution and we do consider that Britain in the past has made some real concessions towards Argentina, such as proposing a Hong Kong-type status for the islands and denying the islanders automatic British citizenship under the recent Nationality Act. "There is no contradiction between supporting Argentina's claim and condemning its use of force to occupy the islands," he added.

URUGUAY

IRANIAN COMMERCIAL DELEGATION ENDS VISIT

PY191823 Montevideo El Espectador Network in Spanish 1600 GMT 19 May 82

[Excerpt] The Iranian delegation which has come to Uruguay to implement the agreement signed a few months ago in Tehran will end its activities today. The delegation has held meetings with representatives of the Foreign Trade Department, the Foreign Ministry, the National Fuels, Alcohol and Cement Administration, the National Meat Institute, the Central Bank and Bank of the Republic. In the meantime it has been agreed to hold another meeting in November in order to evaluate the result of the exchange of petroleum for national foodstuff.